

I'On Assembly Board of Trustees Meeting

June 21, 2021

Members Present: Tom O'Brien, Trey Mathisen, Amy Sage, Chris Colen, Michael McLaughlin, Johann Von Asten, and Julie Hussey

Management Company: Jessica Gosnell, Emily Simpson, and Mary Fraser

Johann made a motion to move into executive session at 5:30PM. Julie Seconded. All in favor. Motion passed unanimously.

Julie motioned to move out of executive session at 6:00PM. Trey Seconded. All in favor. Motion passed unanimously.

Homeowner Forum: Bob Adams, 35 Eastlake; Monika Bonn Miller, 37 Jane Jacobs; Jay Ackerman, 175 E Shipyard

Monika Bonn Miller joined the meeting to relay her concerns regarding the proximity of the soccer goals to the community garden. She stated that soccer balls are being kicked over the goals into the garden and damaging the plants. Monika is requesting for a backstop to be installed behind the goal to prevent balls from flying over into the garden area. She noted that the Community Garden only has \$700 left in their budget for the year and would not have the funds to order something like this.

Jay Ackerman joined to listen in to the discussion surrounding the issues we are experiencing with the geese population. He would like to know what solutions the Board is considering to deter the geese from our area. Tom responded that the Board will be discussing geese under the Amenity Report.

Call to Order: 6:08PM by Tom O'Brien

Approval of Minutes:

Amy made a motion to approve the May 17, 2021 I'On Assembly Meeting Minutes and the June 10, 2021 Special Meeting Minutes. Chris Seconded. All in favor. Motion passed unanimously.

President's Report:

Tom first relayed that three Board members terms will expire in January and expressed the need for homeowners to join the committees and run for the Board.

He then addressed an ongoing discussion regarding a request for a change to the rule on the number of leases that are currently permitted per household. Julie commented that we have to be careful when considering changing rules like this due to the impact it would have on all properties.

Julie made a motion to not change the rules regarding the number of leases per household. Mike Seconded. All in favor. Motion passed unanimously.

Tom then provided an update from our discussion with the Town regarding the inclusion of outbuilding overhangs in lot coverage. The Town has recently changed their definition to now include overhangs as part of building footprints which makes the permitted square footage for ADU's even smaller than our current limit of 625 square feet. We will ask Shawn to draft a request for an amendment to the PD for overhangs to not be included in lot coverage. We plan to communicate why this request is being made to the neighborhood before it is brought to the Town of Mt. Pleasant. It was noted that this request will be presented at the July Town's Planning Commission meeting and hopes to be presented to the Town Council by October.

Treasurer's Report:

Johann first pointed out a few items on the dashboard. He stated that both IDC and Dock Closure revenue have brought in twice the amount than usual at this point in the year. He also touched on the fact that AR revenue for violation fines is not considered to be actual revenue as we do not budget to collect these funds. We are also under in legal thus far in the year. It was also noted that the Insurance renewal will be paid in June and the amount is expected to increase.

Johann then reviewed the Finance Committee's proposed reserve investment policy. The Board's fiscal responsibility to protect the neighborhood's reserve funds requires having money available as needed without having so much money in cash or extremely low interest-bearing CD's that there is an opportunity loss for greater returns. To balance these needs the Finance Committee is recommending that the board establishes three investment buckets: short term, medium term, and long term. (See attached draft reserve investment policy) The finance committee is suggesting that \$400,000 be put into the small term bucket, \$700,000 into the

medium-term bucket, leaving \$650,000 in the long-term bucket. When un-planned projects arise that have an immediate need or there was a catastrophic event, there would be enough money in insurance and the short or medium term buckets. Excess funds beyond the expected short- and medium-term needs would be put into the long-term bucket. At \$400, 000, the short-term bucket recommendation is \$75,000 higher than a year of operating costs less our insurance coverage and reserves or \$325,000. The goal is for the medium bucket is to generate a return of 3-5 percent each year. The long-term investments could generate a return of 7-9 percent or more each year.

Trey inquired what would happen to the short-term bucket during a recession or major hurricane season. Johann replied that in that situation, we may have to sell the medium-term bucket. Johann stated that he is comfortable playing with the numbers for each of the buckets but stated that we should get this policy approved so we can go ahead and begin investing these funds. If we do not invest, we will ultimately be losing money. Tom voiced that it might be a good idea to raise the short-term bucket number to prevent the need to raise assessments each year. It was also noted that the Board should review these numbers each year.

After discussing its concerns and support, the Board decided to allocate \$500,000 to the short-term bucket, \$600,000 to the medium-term bucket, and \$650,000 to the long-term bucket. It was also decided to establish a “strategic reserve” line item that would be supported by any excess funds beyond the general funds in the budget and these investment buckets. We could implement a policy for strategic reserve investing that would be separate from the other investment policy.

Julie made a motion to take the operating equity of line 3130 to be reduced by \$125,000 and transferred to the reserve fund into a new account entitled strategic reserve. Johann Seconded. All in favor. Motion passed unanimously.

Julie made a motion to accept the investment policy with the changes of the short-term bucket from \$400,000 to \$500,000 which is about 50 percent greater than the liabilities and the medium-term bucket at \$600,000. Johann Seconded. All in favor. Motion passed unanimously.

It was noted that year to date, the Assembly has received \$93,565 in transfer fees and will likely receive more than the budgeted amount by year end.

Amenity Report:

Trey reported that the electrical has now been completed at the docks and commented on how nice the additional lighting looks. He also mentioned that the electric outlet has been moved to a more discreet location.

He then stated that the test security camera that was installed on the dock worked well so 3 additional security cameras were purchased and installed. The visibility of these camera is very clear during the day and infrared technology should enhance the clarity of nighttime footage. The camera, located in the tree, needs an antenna because it is too far away from the Wifi in order to make a clear connection.

So far, there are 86 registered boaters this year. The boater registration spreadsheet has been sent to all boaters so that they can contact each other if needed.

Trey inquired if the pierhead at the dock is scheduled to be painted anytime soon. Jessica responded that our maintenance man paints this when it is needed so will ask him to put this on his schedule next time he is here.

Trey then discussed the request for a backstop to be installed behind the soccer goal to protect the community garden. Since the community garden is a separate amenity, outside of the HOA, he does not think the HOA should pay to have a backstop installed. The fence that is currently surrounding the garden does look like it needs some maintenance and may even need to be rebuilt. It was noted that this fence was built with the Community Garden's funds as they are a self-funding group and they may need to look into raising their community garden fees in order to provide a solution. It was noted that the Community Garden has \$1,500 in their reserve fund and that the HOA provides \$700 per year from the operating budget. The Assembly Board could consider adding funds to the Community Garden reserve for this when putting the budget together for next year. Ultimately, the Board recommends that the Community Garden propose an idea to improve their fencing and the Board will consider contributing to the costs if it is feasible.

Landscape and Infrastructure Report:

Amy first reported that the sod in the Square has been replaced and looks great. It was noted that Jessica has spoken with the owner of the Square Onion and asked that they not allow tables and chairs to be placed on the sod going forward. The Square Onion has agreed to adhere to this request.

Amy mentioned that one of the right of way oak trees on Jogging was severely damaged by a box truck that was making a delivery in the neighborhood. After assessing the tree, it was found that the tree must now be removed as the wound on the tree is too severe for it to survive. A meeting with the Town of Mount Pleasant regarding right of way trees clarified the Town own's the trees, and it is neighborhood's responsibility to prune them. However, the cost of removing a damaged tree like this lies on the Town.

Both the sinkhole repair in the alley along the Scramble playground and the Ramble drain repair have now been completed.

Amy provided an update on the installation of the additional streetlights. After careful review and confirming the proximity of streetlights to these locations, the Landscape Committee has decided that we will now be installing a total of 3 new streetlights. One will be installed on the corner of Hospitality and N Shelmore, another to the right of 14 Saturday Road, and the third will be installed to the left of 15 Robert Mills. Dominion found a few more of the 8ft. poles that can be used for this project and will invoice the neighborhood for them. The installation of the new streetlights will be done by a electrician selected for and paid by the Assembly.

She then went on to discuss a proposal to apply a spray called Flight Control to the turf around Eastlake and Westlake which is supposed to deter the geese. The spray is eco-friendly and gives the geese a visual warning so that they do not want to eat the grass. The repellent contains a UV marker that geese will learn to recognize as a threat. It was noted that the turf will appear normal to the human eye. The spray does not harm the geese, but is the treated grass is ingested it will irritate them and therefore deter them from wanting to eat the grass in this area. It should also be noted that this product is not harmful to humans or pets. In order to be effective, it does require multiple applications. The Greenery will begin applying the spray around the lakes this week. An application of the spray lasts about three mows. Two applications will be placed to see if there is any improvement in the reduction of geese. If the spray works, then this could be a good solution during the migration period as well. Jay Ackerman commented that homeowners are continuing to feed the geese. Amy responded that we are working on putting an educational geese policy together and hope that this will help educate residents on why feeding the geese and other wildlife is harmful for both the wildlife and the environment.

Amy then moved on to discuss items which need a Board vote. First being the amphitheater turf replacement. As discussed previously, the turf decline is largely due to the geese and dog meet ups that regularly occur in the area. Quotes have been received by The Greenery, for three different solutions, to potentially correct the turf issues:

- Replacing all of the grass with new Bermuda turf would cost approximately \$30,000 and would take about 2 weeks to be completed. It was noted that installing the Bermuda turf would respond best during warmer weather while it is currently being irrigated in the mornings. The irrigation running may also alleviate dog meet ups.
- Hydroseeding, would cost approximately \$6,500 and would require at least a month of people, dogs, and geese staying off the area. This cost does not include a fence that would need to be installed in order to keep geese out of the area.
- The third option would be to replace the turf with 8 pallets of Bermuda sod which would cost approximately \$5,000.

Overall, the Board agreed that the first two options would not be practical solutions because it would be very difficult to keep people, pets, etc. from congregating in this area. Replacing the turf with 8 pallets of Bermuda sod would be the best option out of the three but could make the patches that are not resodded look worse. Amy responded that she is fine with this solution but mentioned that it would not be a permanent fix.

Julie made a motion to approve spending \$5,000 on replacing the turf with 8 pallets of Bermuda. Trey Seconded. All in favor. Motion passed unanimously.

Amy went on to request a vote for the renovation of Perseverance Park. She stated that we have met with two landscape designers. The first quote received was from Outdoor Spatial Designs for \$5,500. The second quote we received is from Kelly Messier for \$5,100. Jessica noted that we previously approved to spend \$5,000 from capital projects for this to be completed. The Board expressed what a great job Kelly Messier did working on the waterfront enhancement project and expressed his opinion that we should move forward with her quote. Julie stated that we should communicate the plans for this project to the community.

Amy made a motion to approve Kelly Messier's bid for \$5,100 to renovate Perseverance Park. Tom Seconded. All in favor. Motion passed unanimously.

Lastly, Amy reported on the neighborhood landscape contract that was bid out in May. We obtained bids from The Greenery, Pleasant Places, Schneider Turf Maintenance, and Yellowstone Landscaping.

The Landscape Committee recommends moving forward with The Greenery for the annual contract at a cost of \$212,700. This contract is not much larger than this year's cost of \$208,000. It was noted that the other bids either came in much higher or had much smaller crews. The Board discussed the possible need to add leaf blowing each week back to The Greenery's schedule. The added cost for this is an additional \$40,000. The team proposed adding another 2 weeks of leaf blowing onto each end of heavy leaf dropping season to The Greenery's contract. The Board expressed the desire to negotiate the price for this additional leaf blowing into the 2022 annual contract. Overall, the Board commented on how great The Greenery's performance has been over the past year.

Amy made a motion to approve The Greenery's contract for 2022 with the idea that we will ask to negotiate adding another 4 weeks while keeping the price of the contract the same onto April of leaf blowing during the heavy leaf blowing season for leaf cleanup. Julie Seconded. All in favor. Motion passed unanimously.

Lastly, Amy mentioned that Daniel Island has negotiated battery powered equipment into their contract with The Greenery and expressed looking into this addition to our contract in the future.

IDC Liaison Report:

Mike reported on a few discussion items that the IDC had during their meetings on May 18th and June 1st. The IDC deliberated on the timeframe that homeowners must correct/rectify any issues resulting in an unapproved Final Inspection & Deposit Refund, and they decided that a 90-day timeframe should be given to owners in order to rectify the issues and re-submit for another final inspection. If an owner does not rectify the issues and resubmit for another final inspection within this timeframe, then the IDC can turn the issue over to the Covenants Committee to begin the fining process.

The IDC also discussed general guidelines for play equipment and playhouses and whether or not these should be submitted to the IDC for reviewal. It was decided that owners should not being required to submit for this since they are temporary structures. It was noted that the Covenants Committee has taken care of any issues that have arose with play structures in the past and would continue to do so. The

IDC is creating some basic play equipment and playhouse guidelines that will be added to the other Architectural and Landscape guidelines.

Lastly, the IDC discussed guidelines for fences stating that fence sections must start and stop between posts.

Covenants Committee:

Chris stated that there is no formal report to provide but requested for volunteers to join the committee that are interested in helping identify properties that are not in compliance.

Communications Committee:

Julie relayed that the 4th of July parade will have a slightly different route this year to end at Westlake. This will help avoid crowding into the Square.

The Trust is starting to think about the 25th anniversary celebration and is looking to host different events and activities at different amenities throughout the neighborhood.

The Communications Committee is working together to create a spreadsheet with a schedule of some of our regularly scheduled eblasts and events. For example, traffic reminders being sent around the school year and how we can coincide certain communications.

She also stated that the committee is working on creating a subcommittee of people who would like to be connected with the Town to improve our relationship with them.

Amy pointed out that traffic patterns begin to operate differently with newer people moving into the neighborhood and also expressed that the neighborhood was purposefully designed for people to slow down as they enter the neighborhood.

Secretary: No Report

Other Business:

There being no further business to come before the Board of Trustees, the meeting adjourned at 8:06pm. Next meeting will be held on July 19, 2021 at 6:00 pm.

Respectfully submitted by _____

Julie Hussey, Board Secretary